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Online Bidding: A Click Away from Winning

Albania's new online procurement system saves businesses time and money.

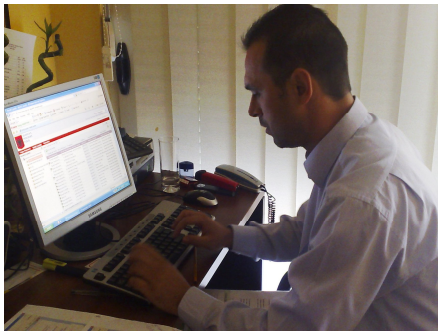


Photo: MCC Albania Threshold Agreement

For Artan Isaraj of Alba Medic sh.p.k., using the e-procurement system means taking full advantage of opportunities to do business with the government at a lower cost.

"If you know how to type and click, have a tax ID number and password, then you can use this system." This is how Artan Isaraj, marketing and logistics manager at Alba Medic sh.p.k., describes working with the new Electronic Procurement System (EPS), one of the e-governance systems put in place by the MCC Albania Threshold project.

For Alba Medic, a pharmaceutical company in business since 2003, government contracts account for between 60 to 70 percent of company earnings. EPS is having a very positive effect on the company's bottom line. According to Isaraj, in short, "Online bidding is cost effective."

Prior to these reforms, access to procurement information to ordinary businesses like Alba Medic was limited. The process was prone to unfair competition. With the introduction of technology coupled with an overhaul in legislation, Albania's public procurement system now gives Alba Medic and an increasing number of other firms a fighting chance to compete for small and large government contracts without incurring the costs traditionally associated with them.

"Our company can now re-use costly notarized documents for multiple bids, the bid preparation time is halved, and the hassle of delivering documents in person has disappeared," explains Isaraj. "Moreover, when I submit the offer online, I have the guarantee that no document enclosed in it may vanish."

With the integrity of the process improved, more and more businesses are competing in e-bids. In fact the average number of operators participating in e-tenders has more than doubled (6 bids per tender) compared to manual (paper) procurements (2.5 bids). This increased competition has reduced costs of goods and services to the Albanian Government, which hopes to foster a more dynamic and prosperous business environment for Albania.

As for Alba Medic, they've already won 24 tenders this year and are feeling optimistic. With the smile of a happy businessman, Isaraj acknowledged. "If you were to ask our competitors, they would probably mention us as the 'new kid on the procurement block.' And that's fine with us."